



"To enrich lives through effective and caring service"



Stan Wisniewski
Director

Kerry Silverstrom
Chief Deputy

November 1, 2005

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**APPROVAL OF AMENDMENT NO. 1
TO AMENDED AND RESTATED LEASE NO. 8106
TO MERGE PARCEL 50T (WATERSIDE SHOPPING CENTER) WITH PARCEL 83S
MARINA DEL REY
(FOURTH DISTRICT)
(4 VOTES)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Find that the proposed Amendment No. 1 is categorically exempt under the California Environmental Quality Act pursuant to classes 1(r) and 4(j) of the County's Environmental Document Reporting Procedures and Guidelines.
2. Authorize the Chair to execute the attached Amendment No. 1 to Amended and Restated Lease No. 8106 ("Amendment") and Memorandum of Lease ("Memorandum") with MARINA WATERSIDE, LLC, a California limited liability company ("Lessee"), for the Parcel 50T lease, Marina del Rey, adding the premises of Parcel 83S to that of Parcel 50T.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Pursuant to your Board's authorization, the Department issued a *Request for Proposals for Development of Parcel 83S in Marina del Rey* ("RFP") on June 15, 2004. The RFP solicited proposals for development of new visitor-serving improvements on County Parcel 83S (currently not leased), located on the northeast corner of Admiralty Way and Fiji Way, on a stand-alone basis or developed through aggregation with an existing leasehold adjacent to

or near the subject parcel. One proposal, from Lessee, was received in response to the RFP and was considered by an evaluation committee appointed by the Director. Subsequently, your Board awarded Lessee the exclusive rights to negotiate for a long-term ground lease on November 7, 2004. As a result of negotiations, a term sheet outlining major deal points was agreed upon by the negotiating parties and presented to your Board in closed session on July 12, 2005.

The County is the lessor of Parcel 50T, the lease for which was originally entered into in 1964 for a term of 60 years. Your Board previously, on November 10, 2004, executed an Amended and Restated Lease Agreement ("Restated Lease") to Lease No. 8106 to facilitate redevelopment of Parcel 50T, providing for a 39-year extension of the original lease term to January 31, 2063 and payment of a \$500,000 lease extension fee, and requiring a renovation of the Waterside Shopping Center ("Shopping Center").

Reflecting the approved term sheet, the Amendment being presented for your Board's consideration herewith provides for a merger of the Parcel 83S premises into that of Parcel 50T, which will allow construction of additional parking spaces for the Shopping Center and thus facilitate expanded restaurant seating in connection with the complete renovation and expansion of the Shopping Center.

The Restated Lease calls for both Lessee and County to sign a memorandum of lease in recordable form following the effective date of the Amendment. The Memorandum updates the previous memorandum of lease to acknowledge the Amendment.

Implementation of Strategic Plan Goals

This recommendation is consistent with the County's Strategic Plan Goals of Fiscal Responsibility and Service Excellence in that the resulting lease amendment would provide the County with an increased stream of revenue and will provide the community with an increase in visitor-serving uses in the Marina.

FISCAL IMPACT/FINANCING

The Lease currently calls for an annual minimum rent of Seven Hundred Fifty Thousand Dollars (\$750,000.00) per year. Upon the effective date of the Amendment, the Annual Minimum Rent shall be increased to Seven Hundred Seventy Thousand Dollars (\$770,000.00), an increase of Twenty Thousand Dollars (\$20,000.00) per year.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The County originally entered into a 60-year ground lease for Parcel 50T on February 1, 1964 and executed an amended and restated lease on November 10, 2004, at which time

the expiration of the lease was extended to January 31, 2063. The proposed Amendment merges Parcel 83S into Parcel 50T and requires that Lessee develop the Parcel 83S premises with 30 new parking spaces, new landscaping elements and a new 8-foot wide sidewalk, and to accommodate a monument sign identifying Marina del Rey, if the County elects to construct such a sign in the future.

The addition of Parcel 83S parking will increase the aggregate parking available at the Shopping Center, thereby enabling an increase in the intensity of visitor-serving uses through the conversion of existing retail space to restaurant space. Such a conversion requires a higher parking ratio and typically generates higher gross revenues and higher rent to the County than does retail space.

Upon the effective date of the proposed Amendment, the Minimum Annual Rent of the Lease shall be increased by \$20,000.00 to \$770,000.00 and Lessee shall be obligated to convert at least 75% of the new capacity created by the 30 newly available parking spaces, made possible by the addition of the Parcel 83S premises to Parcel 50T, for restaurant uses. If, prior to the fifth (5th) anniversary of the effective date of the Parcel 50T Amended and Restated Lease, lessee converts any restaurant space to retail space, then upon the earlier of the date of opening for business of such retail space or the date that rent commences for such retail space, the Annual Minimum Rent shall be increased by \$7,000 to Seven Hundred Seventy-Seven Thousand Dollars (\$777,000.00) until the date preceding the fifth (5th) anniversary of the effective date of the Parcel 50T lease. Upon the fifth (5th) anniversary of the effective date of the Parcel 50T lease, the Annual Minimum Rent shall be adjusted in accordance with the provisions of the Parcel 50T Amended and Restated Lease.

At its meeting of August 10, 2005, the Small Craft Harbor Commission endorsed the Director's recommendation that your Board approve the attached Amendment and Memorandum, which have been approved as to form by County Counsel.

ENVIRONMENTAL DOCUMENTATION

Approval of Amendment No. 1 and the Memorandum of Lease are categorically exempt under the California Environmental Quality Act pursuant to classes 1(r) and 4(j) of the County's Environmental Document Reporting Procedures and Guidelines. Entering into the Amendment does not authorize construction or re-construction of any improvements on the parcel. The discretionary land use entitlements and the corresponding environmental documentation necessary to implement the proposed redevelopment/replacement contemplated by the Amendment and the Restated Lease are under review by the Department of Regional Planning.

The Honorable Board of Supervisors
November 1, 2005
Page 4

CONTRACTING PROCESS

Not applicable.

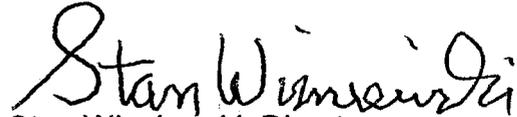
IMPACT ON CURRENT SERVICES (OR PROJECTS)

There is no impact on other current services or projects as Parcel 83S is not currently leased. Parcel 83S is currently used by Lessee as a staging area for the redevelopment of Waterside under a short-term right of entry permit.

CONCLUSION

Please have the Chair execute three (3) copies of the Amendment and Memorandum and instruct the Executive Officer of the Board to acknowledge the Chair's signature. Return two copies of the executed Amendment and Memorandum to the Department of Beaches and Harbors and retain one executed copy for your files.

Respectfully submitted,


Stan Wisniewski, Director

SW:tm
Attachments (2)

c: Chief Administrative Officer
Executive Officer, Board of Supervisors
County Counsel

AMENDMENT NO. 1 TO RESTATED LEASE NO. 8106
PARCEL 50T

THIS AMENDMENT NO. 1 TO AMENDED AND RESTATED LEASE NO. 8106 ("Amendment") dated as of September __, 2005 (the "Amendment Date"), is entered into by and between the COUNTY OF LOS ANGELES ("County"), as lessor, and MARINA WATERSIDE, LLC, a California limited liability company ("Lessee"), as lessee.

RECITALS

A. County and Lessee entered into that certain Amended and Restated Lease Agreement dated as of November 10, 2004, and referred to as Amended and Restated Lease No. 8106 (the "Lease"), pertaining to the real property located in the Marina del Rey Small Craft Harbor commonly known as Parcel No. 50T (the "Existing Premises").

B. County and Lessee desire to amend the Lease to add to the Premises under the Lease that certain real property located in the Marina del Rey Small Craft Harbor commonly known as Parcel No. 83S and more particularly described on Exhibit A attached to this Amendment and incorporated herein by reference (the "Additional Premises"), on and subject to the terms and provisions of this Amendment.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, County and Lessee agree as follows:

1. Capitalized Terms. All capitalized terms used in this Amendment, and not otherwise defined herein, shall have the same meanings given such terms in the Lease.

2. Lease of the Additional Premises. Effective as of the Amendment Date, County leases to Lessee and Lessee leases from County, the Additional Premises as an addition to, and as part of, the Premises under the Lease, and the definition of "Premises" under the Lease is modified to include the Additional Premises. The Additional Premises shall be leased as a part of the Premises on all of the same terms, covenants and conditions as set forth in the Lease, except as modified by this Amendment. Without limitation of the foregoing, the Term of the Lease with respect to the Additional Premises shall commence on the Amendment Date and expire in accordance with the Lease at 11:59 p.m. on January 31, 2063, unless terminated sooner in accordance with the provisions of the Lease.

3. As-Is. Lessee accepts the Additional Premises in their present condition notwithstanding the fact that there may be certain defects in the Additional Premises, whether or not known to either party to this Amendment, at the time of the Effective Date, and Lessee hereby represents that it has performed all investigations necessary, including without limitation soils and engineering inspections, in connection with its acceptance of the Additional Premises "AS IS WITH ALL FAULTS". Lessee hereby accepts the Additional Premises on an "AS IS WITH ALL FAULTS" basis and, except as expressly set forth in this Amendment, Lessee is not relying on any representation or warranty of any kind whatsoever, express or implied, from

County or any other governmental authority or public agency, or their respective agents or employees, as to any matters concerning the Additional Premises and/or any Improvements located thereon, including without limitation: (i) the quality, nature, adequacy and physical condition and aspects of the Additional Premises and/or any Improvements located thereon, including, but not limited to, the structural elements, foundation, roof, protections against ocean damage, erosion, appurtenances, access, landscaping, parking facilities and the electrical, mechanical, HVAC, plumbing, sewage and utility systems, facilities and appliances, and the square footage of the land and within the Improvements and within each space therein, (ii) the quality, nature, adequacy and physical condition of soils, geology and any groundwater, (iii) the existence, quality, nature, adequacy and physical condition of utilities serving the Additional Premises and/or any Improvements located thereon, (iv) the development potential of the Additional Premises, and the use, habitability, merchantability or fitness, or the suitability, value or adequacy of the Additional Premises and/or any Improvements located thereon for any particular purpose, (v) the zoning or other legal status or entitlement or lack thereof of the Additional Premises or any other public or private restrictions on use of the Additional Premises, (vi) the compliance of the Additional Premises and/or any Improvements located thereon with any Applicable Laws, including, without limitation, applicable provisions of ADA, (vii) the presence of any underground storage tank or hazardous materials on, under or about the Additional Premises or the adjoining or neighboring property, (viii) the quality of any labor and materials used in any Improvements, (ix) the condition of title to the Additional Premises, and (x) the economics of the operation of the Additional Premises and/or any Improvements located thereon.

Lessee hereby waives, withdraws, releases, and relinquishes any and all claims, suits, causes of action (other than a right to terminate as otherwise provided in this Lease), rights of rescission, or charges against County, its officers, agents, employees or volunteers which Lessee now has or may have or asserts in the future which are based upon any defects in the physical condition of the Additional Premises and the soil thereon and thereunder, regardless of whether or not said conditions were known at the time of the execution of this instrument. California Civil Code Section 1542 provides as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR.

By initialing this paragraph, Lessee acknowledges that it has read, is familiar with, and waives the provisions of California Civil Code §1542 set forth above, and agrees to all of the provisions of this Section 3.

Lessee's Initials



4. Use of Additional Premises. Notwithstanding any contrary provision of Section 3.1 of the Lease, the "Permitted Uses" of the Additional Premises shall mean, and the Additional Premises shall be used by Lessee only for the construction and operation by Lessee of

parking facilities for the Existing Premises, along with associated landscaping and the signage purposes described in Section 10 of this Amendment. The Additional Premises shall not be used for any other purpose without the prior written consent of County, which consent may be withheld by County in its sole and absolute discretion.

5. Rent. In consideration of the addition of the Additional Premises to the Premises, effective on and after the Amendment Date the Annual Minimum Rent set forth in Section 4.2.1 of the Lease shall be increased from Seven Hundred Fifty Thousand Dollars (\$750,000.00) per year to Seven Hundred Seventy Thousand Dollars (\$770,000.00) per year, subject to the provisions of Section 9 below. Such Annual Minimum Rent shall remain in effect through the day preceding the fifth (5th) anniversary of the Effective Date of the Lease. From and after the fifth (5th) anniversary of the Effective Date of the Lease, the Annual Minimum Rent shall thereafter be adjusted in accordance with the provisions of Sections 4.2.3 and 4.4 of the Lease based on the inclusion of the Additional Premises as part of the Premises.

6. No Adjustment to Base Value. There shall be no adjustment to the Base Value set forth in Section 4.8.1 of the Lease by virtue of Lessee's lease of the Additional Premises other than the following: the Base Value shall be adjusted based on actual development costs of the Additional Premises as described in Section 7 below.

7. Redevelopment Work. The Redevelopment Work described in Section 5.1 of the Lease shall include the development of the Additional Premises in accordance with the provisions of Exhibit B attached to this Amendment and incorporated herein by reference (the "Additional Premises Development Work"). The Additional Premises Development Work shall include a landscaped area suitable for the installation by County, at County's costs, at a later date of a monument sign identifying Marina del Rey as provided in Section 10 below. As part of the Additional Premises Development Work, Lessee, at Lessee's cost, shall widen the sidewalk located outside of the Additional Premises along Admiralty Way and Fiji Way as depicted on Exhibit B. The area in which such sidewalk is widened shall remain subject to future modification at the discretion of County, including without limitation, in connection with any future widening of Admiralty Way and Fiji Way. Such future modification will be performed at no cost to Lessee, and County shall be responsible for repair and replacement of any improvements upon the Additional Premises damaged or destroyed during modification. The Additional Premises Development Work shall be performed by Lessee as a part of the Redevelopment Work under the Lease, in accordance with the same schedule, subject to delays resulting from obtaining all necessary governmental approvals, including Building Permits, DCB approval and Force Majeure, which in no event shall exceed 2 years from the date of execution of this Amendment by the Board of Supervisors, and upon all of the same terms and conditions as applicable to such Redevelopment Work. The amount of the required Redevelopment Work Investment set forth in Section 5.1 of the Lease shall be increased to include actual development costs for the Additional Premises Development Work as approved by County. For purposes of clarification, the Reversion Amendment described in Section 5.1 of the Lease shall, among other things, effectuate a termination of this Amendment and forfeiture by Lessee of its leasehold interest in the Additional Premises described herein.

8. Maintenance and Repair. For purposes of clarification, Lessee shall be responsible for the maintenance and repair of the Additional Premises and all Improvements, not

including the County Monument Sign, located thereon in accordance with the terms and provisions of the Lease.

9. Covenant Regarding Space Conversion. As of the date hereof, Lessee is engaged in the renovation of the Existing Premises pursuant to the Renovation Plan set forth in the Lease. The intent and purpose of County's agreement to lease the Additional Premises to Lessee pursuant to this Amendment is to make additional parking available to Lessee to facilitate a conversion to restaurant space of a portion of the retail space currently existing in the Improvements on the Existing Premises. The Improvements currently existing on the Existing Premises include restaurants operated by California Pizza Kitchen, Top Cloud and Chipotle that, in the aggregate, constitute approximately 7,994 square feet of space with seating capacity of 258 seats (the "Existing Restaurant Space"). The addition of the Additional Premises to the Premises will provide Lessee with thirty (30) additional parking spaces, subject to various governmental approvals and final site design changes, including changes to the configuration of the Existing Premises. Such new parking will satisfy the parking code requirements for additional restaurant space serving ninety (90) occupants. Additional parking of four (4) spaces per 1,000 square feet of retail space that is converted to restaurant space will also become available to further satisfy the parking code requirements for such restaurant space. For purposes hereof, the "New Available Restaurant Space" means the maximum additional restaurant space that can be added to the Existing Premises in compliance with parking code requirements (through conversion of existing retail space to restaurant space) based on the thirty (30) parking spaces provided by the Additional Premises and the additional parking no longer allocated to the converted retail space.

In material consideration for County's agreement to lease the Additional Premises to Lessee on the terms and conditions set forth herein, Lessee agrees to use its commercially reasonable efforts to develop and operate (or cause to be operated) during the term of the Lease an amount of restaurant space equal to at least the following (the "Restaurant Space Covenant"): (a) the square footage or seating capacity of the Existing Restaurant Space, plus (b) seventy-five percent (75%) of the New Available Restaurant Space (the sum of (a) and (b) referred to as the "Restaurant Space Requirement"). Lessee shall not be in breach of the Restaurant Space Covenant as a result of any discontinuance of business by a restaurant Sublessee during the term of a Sublease as long as (a) Lessee diligently enforces its rights against such Sublessee in the case of a breach by such Sublessee (including termination of the Sublease if the Sublessee fails to cure the breach within the applicable cure period), and (b) in the case of a Sublease termination Lessee uses its commercially reasonable efforts to find a replacement Sublessee as soon as reasonably possible. Lessee shall not be in breach of the Restaurant Space Covenant as a result of a discontinuance of business by a restaurant Sublessee at the expiration or termination of its Sublease as long as Lessee uses its commercially reasonable efforts to replace such Sublessee.

If prior to the fifth (5th) anniversary of the Effective Date of the Lease, Lessee converts any restaurant space to retail space, and as a result of such conversion breaches the Restaurant Space Covenant, then upon the earlier of the date of the opening for business of such retail space or the date that Sublease rent commences for such retail space, and continuing until the day preceding the fifth (5th) anniversary of the Effective Date of the Lease, the Annual Minimum Rent shall be increased to Seven Hundred Seventy-Seven Thousand Dollars (\$777,000.00). From and after the fifth (5th) anniversary of the Effective Date of the Lease, the

Annual Minimum Rent shall be adjusted in accordance with the provisions of Sections 4.2.3 and 4.4 of the Lease (based on the inclusion of the Additional Premises as part of the Premises). The increase in the Annual Minimum Rent as provided in this paragraph shall be the sole remedy for the actions described in clauses (i) or (ii) above.

10. County Reservation for Monument Sign. County's lease of the Additional Premises to Lessee is subject to the reservation by County of the right at County's cost to install, operate, repair, maintain, alter and replace on the Additional Premises a monument sign (the "Monument Sign") and any utilities lines or equipment associated with the use and operation of the Monument Sign (collectively, the "Monument Sign Improvements"); along with rights of access to and over the Additional Premises as reasonably necessary for the above purposes. The Monument Sign shall be located at the corner of Fiji Way and Admiralty Way in the general location depicted on Exhibit B attached to this Amendment County shall have the right to determine the exact location, size and specifications for the Monument Sign. County shall be responsible for the installation of the Monument Sign Improvements and repair or replacement of any landscaping or other improvements damaged or destroyed during such installation and maintenance, when, and if, it elects to install the Monument Sign Improvements. County shall be responsible for the cost of any electricity that may be consumed in providing lighting, if any, for the Monument Sign. The Monument Sign Improvements shall be owned by County.

11. Governing Law. This Amendment shall be governed by and interpreted in accordance with the laws of the State of California.

12. No Other Modifications. The parties acknowledge that the Lease remains in full force and effect, unmodified except as set forth herein. This Amendment constitutes the entire agreement of the parties with regard to the amendment of the Lease, and this Amendment supersedes any and all previous negotiations, communications or understandings between the parties, whether oral or written, with regard thereto.

13. Counterparts. This Amendment may be executed in counterparts, each of which shall be deemed an original, and all of which together shall collectively constitute one fully-executed document.

14. Recording of Memorandum. A Memorandum of Lease with reference to this Amendment shall be recorded by Lessee within ten (10) days of execution of Amendment.

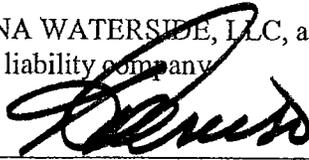
SIGNATURES ON FOLLOWING PAGE

IN WITNESS WHEREOF, County and Lessee have entered into this Amendment as of the date first set forth above.

THE COUNTY OF LOS ANGELES

MARINA WATERSIDE, LLC, a California limited liability company

By: _____
Chair, Board of Supervisors

By: 
Rick J. Caruso, Manager

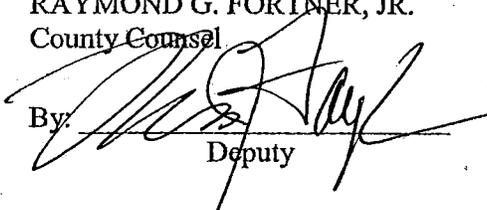
ATTEST:

VIOLET VARONA-LUKENS,
Executive Officer of the
Board of Supervisors

By: _____
Deputy

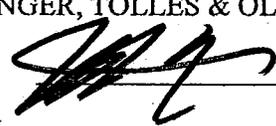
APPROVED AS TO FORM:

RAYMOND G. FORTNER, JR.
County Counsel

By: 
Deputy

APPROVED AS TO FORM:

MUNGER, TOLLES & OLSON LLP

By: 

1 COMPOUND CURVATURE WITH A TANGENT CURVE CONCAVE
2 NORTHERLY AND HAVING A RADIUS OF 32.00 FEET, SAID CURVE BEING
3 TANGENT ON ITS NORTHWESTERLY TERMINUS WITH SAID FIRST
4 MENTIONED PARALLEL LINE; THENCE SOUTHWESTERLY, WESTERLY,
5 AND NORTHWESTERLY ALONG SAID TANGENT CURVE THROUGH A
6 CENTRAL ANGLE OF 90°57'58" AN ARC LENGTH OF 50.80 FEET TO SAID
7 TANGENT PARALLEL LINE; THENCE ALONG SAID TANGENT PARALLEL
8 LINE N30°00'00"W 66.46 FEET TO SAID POINT OF BEGINNING.

9
10 THE HEREIN DESCRIBED LEASE PARCEL HAS AN AREA OF 12,860
11 SQUARE FEET, MORE OR LESS.

12
13 SEE ATTACHED EXHIBIT MAP FOR INFORMATIONAL PURPOSES.

14 THIS LEGAL DESCRIPTION WAS PREPARED BY ME OR UNDER MY
15 DIRECTION IN CONFORMANCE WITH THE REQUIREMENTS OF THE LAND
16 SURVEYORS' ACT OF THE STATE OF CALIFORNIA.

17
18
19 
20

21 ROBERT HENNON, PLS 5573 (LIC. EXPIRES 9-30-2005)

22 HENNON SURVEYING & MAPPING, INC.

23 601 EAST GLENOAKS BLVD., SUITE NO. 208

24 GLENDALE, CALIFORNIA 91207

25 PH: 818-243-0640 FAX: 818-243-0650

26 FILE: 2288-LEASE.DOC PROJECT 2288 DATE: AUG. 26, '05

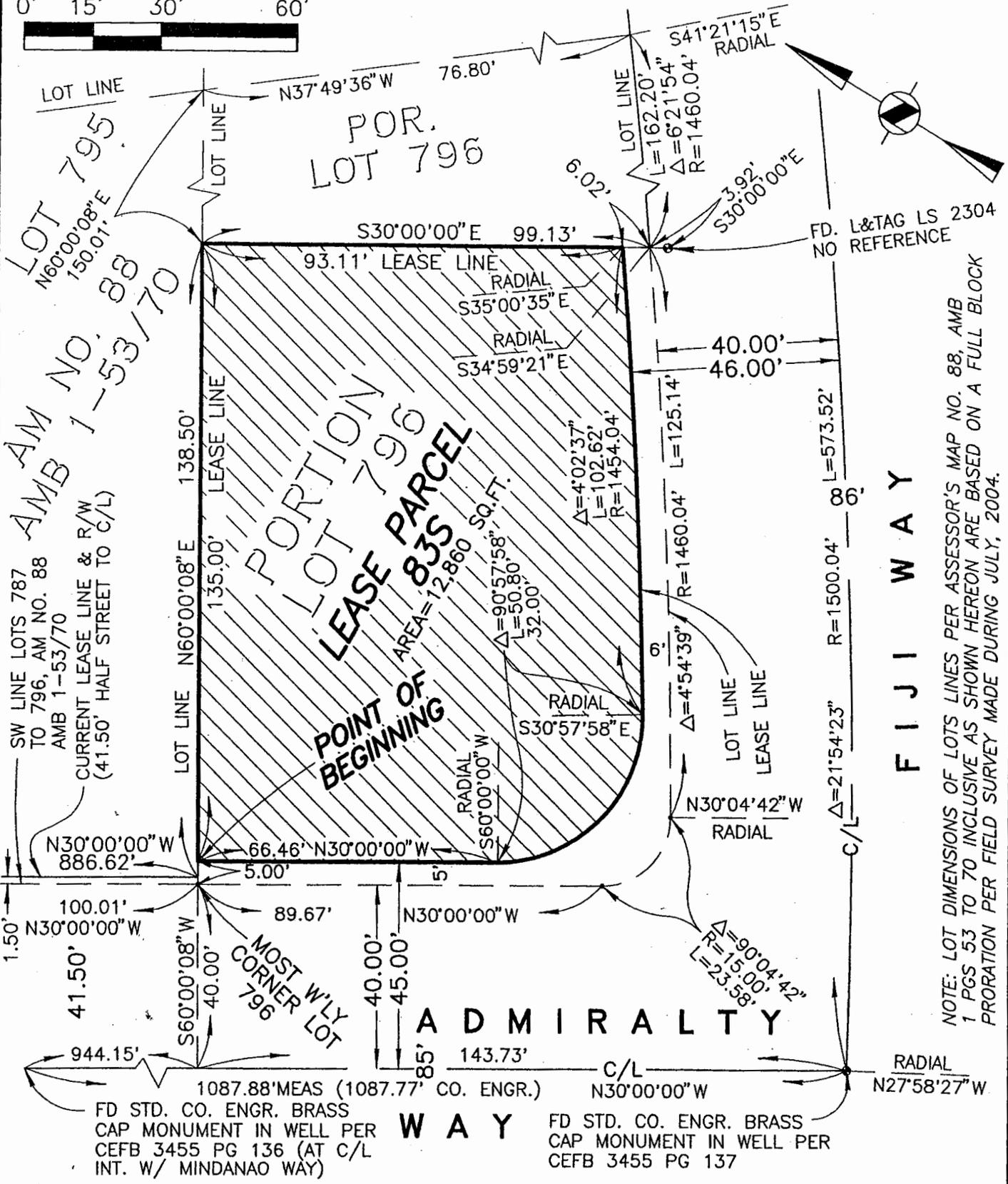
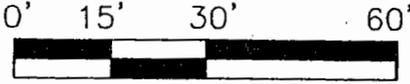
27 EXHIBIT MAP FILE: 2288EXH1.DWG



SCALE: 1"=30'

EXHIBIT MAP

SHT. 1 OF 1 SHTS

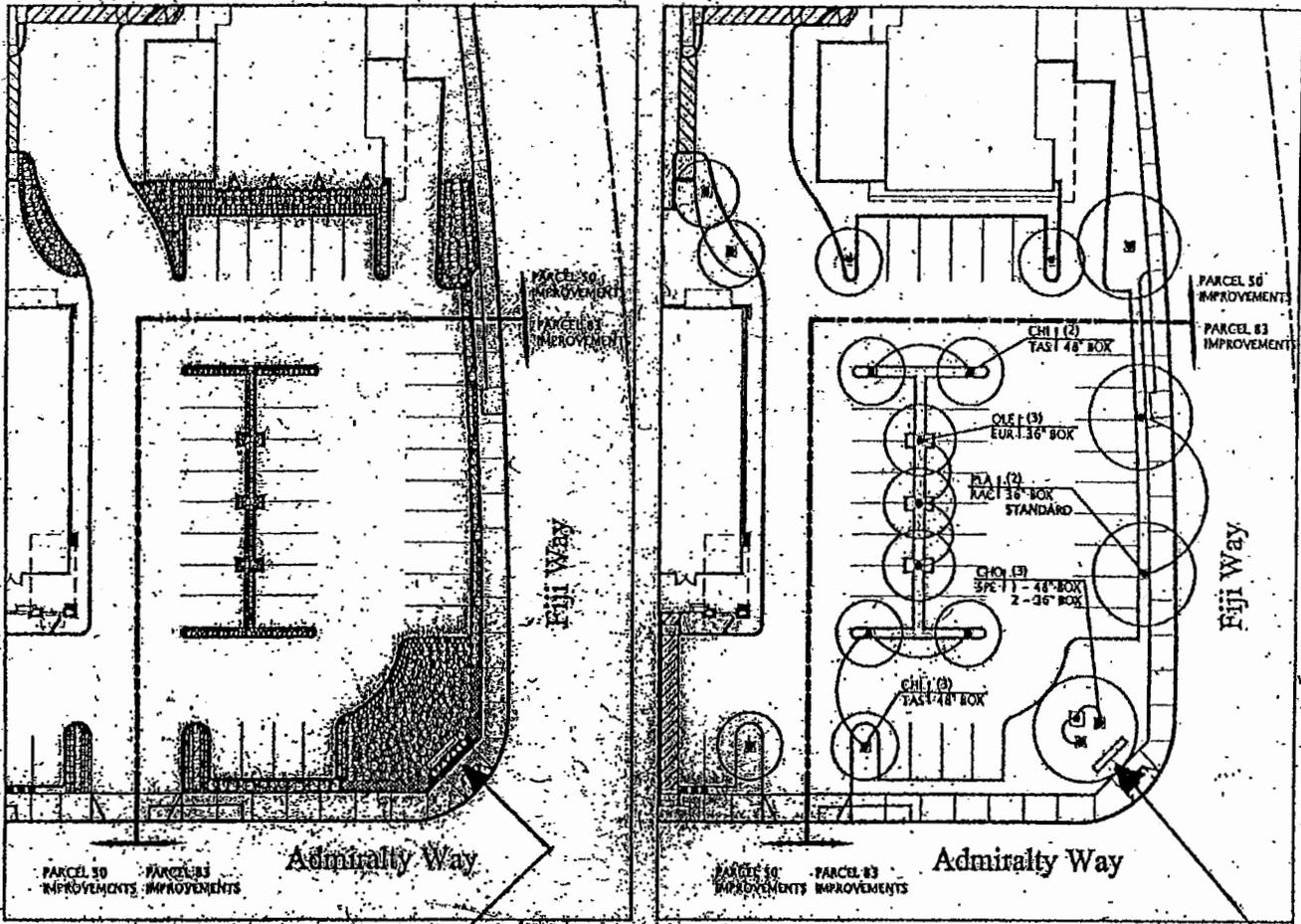


NOTE: LOT DIMENSIONS OF LOTS LINES PER ASSESSOR'S MAP NO. 88, AMB 1 PGS 53 TO 70 INCLUSIVE AS SHOWN HEREON ARE BASED ON A FULL BLOCK PRORATION PER FIELD SURVEY MADE DURING JULY, 2004.

DATE: AUG. 26, '05
FILE: 2288EXH1.DWG
PROJECT NO: 2288

HENNON
Surveying & Mapping, Inc.
601 E. GLENOAKS BL. SUITE 201
GLENDALE, CALIF. 91207
(818)243-0640 FAX:(818)243-0650

EXHIBIT B Development Plan



SHRUB PLAN
SCALE

TREE PLAN
SCALE

General Location of Future Marina del Rey Sign

Recording Requested by:

COUNTY OF LOS ANGELES

When Recorded Return to:

COUNTY OF LOS ANGELES

Office of County Counsel
648 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012
Attn: Thomas Faughnan, Esq.

FREE RECORDING
GOVERNMENT CODE SECTION 6103

SPACE ABOVE THIS LINE FOR RECORDING USE

**MEMORANDUM OF LEASE AMENDMENT
PARCEL 50T — MARINA DEL REY**

This Memorandum of Lease Amendment (“Memorandum”) dated as of October ____, 2005 (the “Effective Amendment Date”), is entered by and between the COUNTY OF LOS ANGELES (“County”), as lessor, and MARINA WATERSIDE, LLC, a California limited liability company (“Lessee”), as lessee.

W I T N E S S E T H

WHEREAS, County and Lessee entered into that certain Amended and Restated Lease Agreement dated as of November 10, 2004, and referred to as Amended and Restated Lease No. 8106 (the “Lease”) pertaining to the real property located in the Marina del Rey Small Craft Harbor commonly known as Parcel No. 50T and which is more specifically described on Exhibit A attached hereto and incorporated herein by this reference (the “Existing Premises”);

WHEREAS, a Memorandum of Amended and Restated Lease Agreement dated November 10, 2004 concerning the Lease was recorded in the Official Records of Los Angeles County, California on _____, 2004 as Instrument No. _____; and

WHEREAS, County and Lessee have entered into that certain Amendment No. 1 to Restated Lease No. 8106 dated of even date herewith (the “Amendment”), amending the Lease in certain respects, including without limitation, adding to the demised premises under the Lease that certain real property located in the Marina del Rey Small Craft Harbor commonly known as Parcel No. 83S and more particularly described on Exhibit B attached hereto and incorporated herein by this reference (the “Additional Premises”).

NOW, THEREFORE, in reliance on the foregoing and in consideration of the mutual covenants, agreements and conditions set forth herein, and of other good and valuable

consideration, the receipt and sufficiency of which are hereby acknowledged, County and Lessee agree as follows:

1. Amendment. The Lease is hereby amended by and in accordance with the terms and provisions of the Amendment. Without limitation of the foregoing, effective as of the Effective Amendment Date County leases to Lessee and Lessee leases from County, the Additional Premises as an addition to, and as a part of, the demised premises under the Lease. The term of the Lease with regard to the Additional Premises shall commence on the Effective Amendment Date and expire in accordance with the Lease at 11:59 p.m. on January 31, 2063, unless terminated sooner in accordance with the provisions of the Lease.

2. Incorporation and Conflicts. The purpose of this Memorandum is to provide notice of the Amendment. All of the terms and conditions of the Amendment are incorporated herein by reference as though set forth fully herein. In the event of any conflict between the terms hereof and the terms of the Amendment, the terms of the Amendment shall prevail. This Memorandum is prepared for the purpose of recordation only and it in no way modifies the provisions of the Amendment. A true copy of the Amendment is on file in the offices of the County at Department of Beaches & Harbors, 13837 Fiji Way, Marina del Rey, California 90292.

3. Successors. Subject to the provisions of the Lease governing assignment, the rights and obligations created in the Lease, as modified by the Amendment, shall bind and inure to the benefit of the respective heirs, personal representatives, successors, grantees, and assigns of County and Lessee.

4. Counterparts. This Memorandum may be executed in counterparts, each of which shall be an original and all of which together shall constitute one fully-executed document.

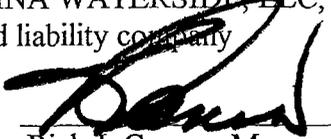
SIGNATURES ON FOLLOWING PAGE

IN WITNESS WHEREOF, County and Lessee have entered into this Memorandum as of the date first set forth above.

THE COUNTY OF LOS ANGELES

By: _____
Chair, Board of Supervisors

MARINA WATERSIDE, LLC, a California
limited liability company

By: 
Rick J. Caruso, Manager

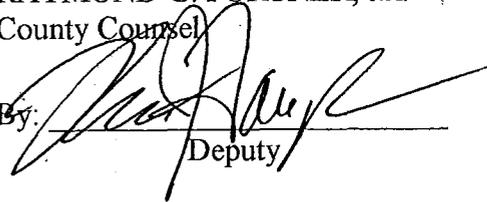
ATTEST:

VIOLET VARONA-LUKENS,
Executive Officer of the
Board of Supervisors

By: _____
Deputy

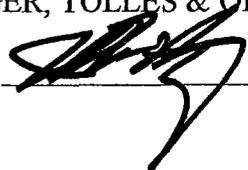
APPROVED AS TO FORM:

RAYMOND G. FORTNER, JR.
County Counsel

By: 
Deputy

APPROVED AS TO FORM:

MUNGER, TOLLES & OLSON LLP

By: 

STATE OF _____)
) SS.
COUNTY OF _____)

On _____, before me, _____, a Notary Public in and for said state, personally appeared _____, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Notary Public in and for said State

STATE OF California)
) SS.
COUNTY OF Los Angeles)

On Oct 7, 2005, before me, YVETTE MOSEMAN, a Notary Public in and for said state, personally appeared RICK CARUSO personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Yvette Moseman

Notary Public in and for said State

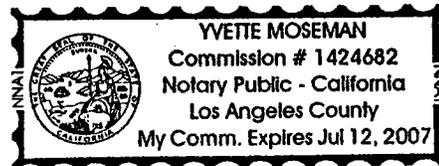


EXHIBIT A

LEGAL DESCRIPTION OF EXISTING PREMISES

EXHIBIT "A"

LEGAL DESCRIPTION

Marina Del Rey
Lease Parcel No. 50T

Parcels 787 to 805 inclusive, in the County of Los Angeles, State of California, as shown on Los Angeles County Assessor's Map No. 88, filed in Book 1, pages 53 to 70 inclusive, of Assessor's Maps, in the office of the Recorder of said County.

Excepting therefrom that portion thereof within the following described boundaries:

Commencing at the northeasterly terminus of a curve concave to the east, having a radius of 30 feet, tangent to a line parallel with and 2.5 feet southwesterly, measured at right angles, from the straight line in the southwesterly boundary of said Parcel 787 and reverse at said northeasterly terminus to a curve concentric with and 3 feet northwesterly, measured radially, from that certain 1540 foot radius curve in the northwesterly boundary of said last mentioned parcel; thence southeasterly along a radial of said 30 foot radius curve 3.00 feet to a point in said northwesterly boundary, said point being the true point of beginning; thence northeasterly along said northwesterly boundary to a line parallel with and 2 feet northeasterly, measured at right angles, from said radial; thence South $32^{\circ}28'08''$ East along said last mentioned parallel line 3.00 feet; thence South $57^{\circ}31'52''$ West 16.30 feet to a curve concave to the east, having a radius of 25 feet, tangent to said northwesterly boundary and tangent to said straight line; thence southerly along said last mentioned curve 6.64 feet to a line parallel with and 7 feet northeasterly, measured at right angles, from said straight line; thence South $30^{\circ}00'00''$ East along said last mentioned parallel line to a line parallel with and 8 feet northwesterly, measured at right angles, from a radial of said 30 foot radius curve at the southeasterly terminus thereof; thence South $60^{\circ}00'00''$ West along said last mentioned parallel line 5.50 feet to the northeasterly line of the southwesterly 1.5 feet of said Parcel 787; thence South $30^{\circ}00'00''$ East along said northeasterly line and its southeasterly prolongation 886.55 feet to the northwesterly line of said Parcel 796; thence North $60^{\circ}00'00''$ East 138.50 feet; thence South $30^{\circ}00'00''$ East 99.13 feet to the southeasterly boundary of said last mentioned parcel; thence southwesterly, westerly and northwesterly along the southeasterly, southerly and southwesterly boundaries of said last mentioned parcel to the westerly corner of said last mentioned parcel; thence North $30^{\circ}00'00''$ West along the southwesterly lines of said Parcels 795, 794, 793, 792, 791, 790, 789 and 788 to the southerly corner of said Parcel 787; thence northwesterly, northerly and northeasterly along the southwesterly, westerly and northwesterly boundaries of said last mentioned parcel to said true point of beginning.

Also excepting therefrom that portion thereof which lies easterly of a curve concave to the west, having a radius of 25 feet, tangent to the northeasterly boundary of said Parcel 805 and tangent to the southeasterly boundary of said last mentioned parcel.

Also excepting therefrom that portion thereof which lies northerly of a curve concave to the south, having a radius of 25 feet, tangent to the northeasterly boundary of said Parcel 797 and tangent to the northwesterly boundary of said last mentioned parcel.

Also excepting therefrom that portion thereof within a strip of land 2 feet wide, the northwesterly boundary of which is described as follows:

Beginning at a point in the straight line in the northwesterly boundary of said Parcel 797 distant North $47^{\circ}36'42''$ East thereon 4.73 feet from the southwesterly terminus thereof; thence southwesterly along said last mentioned northwesterly boundary 8.00 feet.

Reserving and excepting unto the County of Los Angeles rights of way for sanitary sewer, storm drain, access and harbor utility purposes in and across those portion thereof designated on said map as easements to be reserved by said County for such purposes.

DESCRIPTION APPROVED

January 9, 1975

HARVEY T. BRANDT

County Engineer

By Raymond A. Adams Deputy

EXHIBIT B

LEGAL DESCRIPTION OF ADDITIONAL PREMISES

1
2
3
4

EXHIBIT "B"
LEGAL DESCRIPTION
LEASE PARCEL 83S

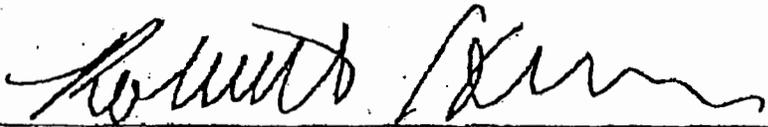
5 THAT PORTION OF LOT 796, IN THE UNINCORPORATED TERRITORY OF
6 THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON
7 LOS ANGELES COUNTY ASSESSOR'S MAP NO. 88 FILED IN BOOK 1
8 PAGES 53 TO 70 INCLUSIVE OF ASSESSOR'S MAPS, IN THE OFFICE OF
9 THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

10
11 BEGINNING AT A POINT OF INTERSECTION OF THE
12 NORTHWESTERLY LINE OF SAID LOT 796 OF LOS ANGELES COUNTY
13 ASSESSOR'S MAP NO. 88 FILED IN BOOK 1 PAGES 53 TO 70 INCLUSIVE
14 OF ASSESSOR'S MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF
15 SAID COUNTY WITH A LINE PARALLEL WITH AND LYING 5.00 FEET
16 NORTHEASTERLY OF, MEASURED AT RIGHT ANGLES FROM, THE
17 SOUTHWESTERLY LINE OF SAID LOT 796, SAID SOUTHWESTERLY LINE
18 ALSO BEING THE NORTHEASTERLY LINE OF ADMIRALTY WAY, 80.00
19 FEET IN WIDTH, AS SHOWN ON SAID ASSESSOR'S MAP NO. 88; THENCE
20 ALONG SAID NORTHWESTERLY LINE OF SAID LOT 796 N60°00'08"E
21 135.00 FEET; THENCE S30°00'00"E 93.11 FEET TO A POINT ON A
22 NONTANGENT CURVE BEING CONCAVE NORTHWESTERLY AND HAVING
23 A RADIUS OF 1,454.04 FEET, A RADIAL BEARING OF SAID CURVE AT SAID
24 POINT BEING S35°00'35"E, SAID CURVE BEING CONCENTRIC WITH AND
25 LYING 8.00 FEET NORTHWESTERLY OF THE CURVING SOUTHEASTERLY
26 LINE OF SAID LOT 796, SAID SOUTHEASTERLY LINE ALSO BEING THE
27 NORTHWESTERLY LINE OF FIJI WAY, 80.00 FEET IN WIDTH, AS SHOWN
28 ON SAID ASSESSOR'S MAP NOT 88; THENCE SOUTHWESTERLY ALONG
29 SAID CURVE HAVING A RADIUS OF 1,454.04 FEET THROUGH A CENTRAL
30 ANGLE OF 4°02'37" AN ARC LENGTH OF 102.62 FEET TO A POINT OF

1 COMPOUND CURVATURE WITH A TANGENT CURVE CONCAVE
2 NORTHERLY AND HAVING A RADIUS OF 32.00 FEET, SAID CURVE BEING
3 TANGENT ON ITS NORTHWESTERLY TERMINUS WITH SAID FIRST
4 MENTIONED PARALLEL LINE; THENCE SOUTHWESTERLY, WESTERLY,
5 AND NORTHWESTERLY ALONG SAID TANGENT CURVE THROUGH A
6 CENTRAL ANGLE OF 90°57'58" AN ARC LENGTH OF 50.80 FEET TO SAID
7 TANGENT PARALLEL LINE; THENCE ALONG SAID TANGENT PARALLEL
8 LINE N30°00'00"W 66.48 FEET TO SAID POINT OF BEGINNING.

9
10 THE HEREIN DESCRIBED LEASE PARCEL HAS AN AREA OF 12,860
11 SQUARE FEET, MORE OR LESS.

12
13 SEE ATTACHED EXHIBIT MAP FOR INFORMATIONAL PURPOSES.
14 THIS LEGAL DESCRIPTION WAS PREPARED BY ME OR UNDER MY
15 DIRECTION IN CONFORMANCE WITH THE REQUIREMENTS OF THE LAND
16 SURVEYORS' ACT OF THE STATE OF CALIFORNIA.

17
18
19
20 

21 ROBERT HENNON, PLS 5573 (LIC. EXPIRES 9-30-2005)
22 HENNON SURVEYING & MAPPING, INC.
23 601 EAST GLENOAKS BLVD., SUITE NO. 208
24 GLENDALE, CALIFORNIA 91207
25 PH: 818-243-0640 FAX: 818-243-0650
26 FILE: 2288-LEASE.DOC PROJECT 2288 DATE: AUG. 26, '05
27 EXHIBIT MAP FILE: 2288EXH1.DWG



